

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 10153]
[February 20, 1987]

PROPOSED CHANGES IN DAYLIGHT OVERDRAFT POLICY

— Extension of Comment Period to April 3

*To the Chief Executive Officers of All Depository Institutions
in the Second Federal Reserve District:*

Enclosed with our Circular No. 10128, dated December 29, 1986, was the text of several proposals issued for comment by the Board of Governors of the Federal Reserve System to reduce and control the payments system risk faced by the Federal Reserve and individual depository institutions participating in large-dollar wire transfer networks, book-entry security transfer systems, and automated clearing houses. The Board of Governors has extended the comment period from February 27 to *April 3, 1987* on all but one of those proposals.

Following is the text of a statement issued by the Board of Governors announcing that extension of time:

The Federal Reserve Board has extended the comment period on most of its proposals to reduce the risks on large-dollar payment systems that were issued on December 10.

The comment period has been extended from February 27 to April 3 for the proposals concerning the risks associated with book-entry securities transfers, the reduction of existing levels for net debit caps, the establishment of a "de minimis" cap category, and the adoption of limits on inter-affiliate Fedwire transfers. The comment period for the proposed changes to the automated clearing house (ACH) procedures has been extended from March 16 to April 3.

The Board also sought comment on the concept of charging a fee for all daylight overdrafts in accounts maintained with the Federal Reserve that are subject to the net debit cap. Comment is still requested by April 13.

Printed on the reverse side is the text of the Board's order in this matter. Comments should be submitted by April 3, 1987, and may be sent to the Board of Governors, as specified in the Board's notice, or to Ralph A. Cann, III, Vice President, Accounting Function, who is the daylight overdraft liaison officer at this Bank. Comments regarding the proposal to charge a fee for all daylight overdrafts in accounts maintained with the Federal Reserve that are subject to the net debit cap should still be submitted by April 13, and may be sent to A. Marshall Puckett, Payments System Adviser at this Bank.

Copies of the daylight overdraft policy proposals, which have been reprinted from the *Federal Register* of December 16, 1986, will be furnished upon request directed to the Circulars Division of this Bank (Tel. No. 212-720-5215 or 5216).

E. GERALD CORRIGAN,
President.

(OVER)

FEDERAL RESERVE SYSTEM

[Docket Nos. R-0587, R-0588, R-0589, R-0590, and R-0591]

Requests for Comments on Proposals Regarding
Payment System Risks

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Extension of comment periods.

SUMMARY: On December 10, 1986, the Board requested public comment on a series of six proposals to reduce and control payment system risks. (The notices were published in the *Federal Register* on December 16, 1986.) Comments on four of these proposals, risks associated with book-entry securities transfers (Docket No. R-0587, 51 Fed. Reg. 45,046), reduction of existing levels for net debit caps (Docket No. R-0588, 51 Fed. Reg. 45,050), adoption of a new, "*de minimis*" cap category (Docket No. R-0589,¹ 51 Fed. Reg. 45,053), and adopting limits on inter-affiliate Fedwire transfers (Docket No. R-0590, 51 Fed. Reg. 45,054), were due by February 9, 1987, and the Secretary to the Board, acting pursuant to delegated authority from the Board, recently extended the comment period for each of these four proposals until February 27, 1987. (52 Fed. Reg. 2296, Jan. 21, 1987). In response to further requests from the public, the Secretary has extended the comment period on these four proposals and has also extended the time for filing comments on the proposal on automated clearing houses (Docket No. R-0591; 51 Fed. Reg. 45,043) to April 3, 1987. The time for filing comments on the remaining proposal (pricing of Fedwire daylight overdrafts, R-0592, 51 Fed. Reg. 45,052) remains April 13, 1987.

DATE: Comments must be received by April 3, 1987.

FOR FURTHER INFORMATION CONTACT: Edward C. Ettin, Deputy Director, Division of Research and Statistics (202-452-3368), or Joseph R. Alexander, Senior Attorney, Legal Division (202-452-2489); or, for the hearing impaired *Only*: Telecommunications Device for the Deaf (202-452-3544), Earnestine Hill or Dorothea Thompson.

By order of the Secretary of the Board, acting pursuant to delegated authority, 12 C.F.R. § 265.2(a)(6), February 17, 1987.

(signed) William W. Wiles

Secretary of the Board

1. A typographical error in the December 16, 1986 *Federal Register* misidentified Docket No. R-0589 as Docket No. R-05891.